

QUESTIONS AND ANSWERS

DRAFT RFP H9172RFP931

December 4, 2000

1. Is this the same scope of work as presented in the draft RFP 13475-RFP-00-CT issued by Howard Granzow in June 2000?

No.

2. We are a subcontractor and named teaming partner on one of the Engineering Services BOA contracts. Does this mean that we are automatically precluded from proposing on this contract, or can we bid and define how we will mitigate any possible conflicts of interest?

You are not precluded from proposing on the requirement for Professional, Technical and General Support Contract Labor Support Services. As with any procurement, possible Conflicts of Interest will require mitigation.

3. Do you have an estimate of the number of personnel that are anticipated under this contract, and the types of technical expertise that will be required?

The total number of workers as of September 30, 2000, was 1010. Out of these,

- **196 are Technical Staff Members (TSM)**
- **364 are Technicians (TEC)**
- **232 are Administrative Staff Members (ASM)**
- **218 are Technical Administrative Specialists (TAS)**

It is anticipated that a wide variety of expertise will be needed, some of which are described below. A listing of current job openings is available on the web at <http://www.hr.lanl.gov/scripts/SAT/Jobs/ListJobs.idc?OrderParm=ProposedSeriesLevel>

- **Technical Staff Member expertise needed will include, but not be limited to, facility managers, chemical engineers, project coordinators, project engineers, systems engineers, software engineers, programmer/analysts, system administrators, mechanical engineers, chemical engineers, and ES&H specialists.**
 - **Technician expertise needed will include, but not be limited to, computer technician, health protection technician, radiation control technician, draft design technician, electronics technician, mechanical technician, electrical-mechanical technician, and environmental technician.**
 - **Administrative Staff Member expertise needed will include, but not be limited to, budget analysts, writers/editors, graphics designers, illustrators, web designers, waste management coordinators, computer information specialists, HR representatives, project schedulers, facility coordinators, contract administrators, and quality assurance specialists.**
 - **Technical Administrative Specialist expertise needed will include, but not be limited to, materials handler, CIS operator, procurement assistant, and ES&H specialist.**
4. Is the contract resulting from this solicitation going to be tied to a single organization or will it be available Lab wide?

The subcontracts resulting from this solicitation will be available for use by all Laboratory organizations.

5. Is it planned to have a single award or are multiple awards possible?

The University reserves the right to make multiple awards. Please refer to the Draft RFP, Part A, Paragraph 5, entitled “Basis for Award.”

6. Will there be incentives for award to, or subcontract use of small disadvantaged businesses?

The resulting subcontract is not an incentive subcontract. That is, it is not an award-fee, incentive fee or other type of subcontract that will incentivize the successful Offeror to subcontract with small businesses. However, if your question is intended to ask how the University will evaluate how you propose to use small and disadvantaged businesses, please read the proposal preparation instructions and evaluation criteria set forth in the RFP Section D, paragraph A 4).

Additionally, each large business is required to submit a Small Business Subcontracting Plan with their proposal which will be negotiated into the resulting subcontract should they be successful.

7. What is the expected timeline for issuance of the RFP, preparation of proposals, evaluations, award, and Notice to Proceed?

Please refer to the conference viewgraph entitled “Acquisition Process,” which provides the following information:

Questions (specific to the Draft RFP): October 20, 2000

RFP Issued: December 2000

Proposal Due Date: January 26, 2001

Source Selection Decision: March 16, 2001

Award Approved: May 15, 2001

Effective Date: June 15, 2000

8. (Part D/3 Evaluation Criteria) Ref. Par A1)a4). Under the qualifications, define “SKA”

“SKA” refers to: Skills, knowledge and abilities.

9. (Part E/II Scope of Work)

- A. Reference par. D8. Can you be more specific than “as soon as reasonable possible?” A missed opportunity to place new personnel is more often than not a factor of delayed acceptance notification. Recommend a date within a specific number of weeks following the closing date of the receipt of candidates.

Each position is handled differently by the LANL customer, so it is difficult to give exact time frames, but in general we will say that

- Human Resources (HR) will notify companies of candidates whose resumes the HR SAT Representatives determine do not meet approximately 80% of required SKAs and are not passed on to the hiring official within approximately 7 working days from receipt of resume.**
- HR will notify companies of non-selection of candidates within approximately 7 days of date of acceptance by a candidate.**

- B. Reference par. D9. Does the required orientation qualify for billable hours?

Yes.

- C. Ref. Par I. Is there a provision for discussing Performance Metrics results?

Yes. These will be discussed at the quarterly meetings between each Subcontractor, the Contract Administrator, and Laboratory HR representatives.

D. Ref. Par. 12. Is there an arbitrator for questionable candidate rejections classified as being “unqualified?”

No. We do not anticipate that an arbitrator will be needed for this purpose.

10. (Part E/IV Options)

A. Ref. Par. B. Where is General Provision, E-1?

Please refer to Part E, page 20 of 23, entitled “General Provisions.” All applicable General Provisions can be located at Internet URL:

<http://bus.lanl.gov/bus5/vendor/terms-conditions.htm>

B. Ref. Par. B. Does this provision mean that all job descriptions within the scope of this contract will be in Enclosure 2?

No. Job descriptions are dynamic and flexible, and categories may be added from time to time throughout the term of the subcontract.

11. (Appendix I – Personnel/Contract Workers) Ref. IX Payment, par. A and Appendix I par. Q. The seventh line refers to a Subcontractor’s invoice submission. Should this be the attendance report referred to under par. A, IX payment?

Thank you for pointing out this inconsistency. The statement in Appendix I, paragraph Q will be deleted because it does not refer to the current process.

12. Is the current DRFP intended to elicit comments from potential Offerors as to the content of the final RFP?

Yes.

13. Is there a registration document the Offeror needs to complete, by a certain date, to be qualified as a potential Offeror?

Not at this time. However, all potential Offerors are cautioned and advised to read the final RFP in its entirety as the Proposal Evaluation and Source Selection Criteria section of the solicitation is expected to incorporate significant changes.

14. Is there an anticipated target date for issuance of the Final RFP?

Please refer to the conference viewgraph entitled “Acquisition Process,” which provides the following information:

RFP Issued: December 2000

This date is subject to change as internal reviews and approvals are required prior to the RFP being released.

15. Is this a general staffing RFP or would LANL consider making multiple awards based on industry expertise or other categories: Example, IT Professionals ; Electrical Engineers?

This requirement is for general staffing. The University does not anticipate awarding subcontracts for specific job categories or professions.

16. Why is LANL rebidding this contract?

The subcontracts now in place will expire in April of 2000. If necessary, the current subcontracts will be extended by approximately 3 months to allow a smooth transition.

17. What is the process for bid, decision-making, and award?

Potential Offerors are directed to the Conference viewgraphs which discuss the Acquisition Process and those that review the RFP Part C, entitled, "Proposal Preparation Instructions," and Part D, entitled, "Proposal Evaluation and Source Selection Criteria." All potential Offerors are again cautioned and advised to read the final RFP in its entirety as these sections are expected to incorporate significant changes.

18. Is there a minority or Native American set-aside similar to the small business initiative articulated in the DRFP?

No.

19. Does LANL want to see a simple overhead rate as opposed to multiple job categories with corresponding bill rates?

We prefer that the direct labor rates will be fully burdened with straight time indirect rates and/or the overtime indirect rate plus profit. This should be in accordance with the Offeror's approved accounting standards and practices.

20. What will be the weighting of evaluation criteria?

Please refer to Part D, Paragraph 2, entitled "Basis for Award." This paragraph states that the "...technical criteria shall be weighted slightly more than price. The technical factors are listed in descending order of importance." Although some clarification may be made in the final RFP regarding the relative weights of the evaluation criteria, the specific percentages for each criterion will not be provided.

21. Page 1, Part C specifies that resumes of local office key personnel shall be included. Would LANL like Offerors to provide resumes of internal personnel employed for the purposes of staffing and managing the subcontract or technical resumes for personnel intended to provide billable support to LANL, or both.

LANL wants Offerors to provide resumes of key personnel who will staff and manage the subcontract only.

22. In what form would LANL like the Offeror to demonstrate successful recruitment for job request as illustrated in Part E, page 30a through 30h? (i.e. candidate resumes vs. number of placements made on similar contracts, etc...)

For proposal purposes, there is no requirement for the Offeror to demonstrate successful recruitment for job requests as illustrated in Enclosure 2 entitled "Job Descriptions." Those descriptions are provided to demonstrate the various job descriptions, job families, and categories the Laboratory may ask the Subcontractor(s) to provide. The paragraph prefacing the table will be changed in the final RFP to clarify the purpose of the enclosure.

23. How will the contract set aside for a small business work?

The University anticipates that multiple (three to five) subcontracts will be awarded as a result of this solicitation. All proposals will be evaluated together and proposals will be ranked as a result of a best value trade-off analysis. The top ranked proposals will be selected for award, except that at least one award will be reserved for a small business. The small business will not be required to have submitted a top ranked proposal. However, the proposal must meet the minimum requirements, propose reasonable costs and demonstrate a reasonable likelihood of successfully performing the subcontract. It is possible multiple awards will be made to small business firms if the small business proposals are more highly ranked than the large business proposals.

24. Will the University of California consider “team” proposals?

Yes. Potential Offerors are advised to read the final RFP in its entirety as the Proposal Preparation Instructions and Proposal Evaluation and Source Selection Criteria sections of the solicitation are expected to incorporate changes concerning the submission of team proposals/teaming arrangements.

25. Can we sub-contract and have employees assigned either to us or the sub?

There is concern on the part of the Laboratory regarding over-burdened rates should employees be assigned to a sub. Further clarification regarding this issue will be provided in the final RFP. See answer to Question No. 24.

26. Can we hire people on a 1099?

No, not for work performed under this requirement and the respective subcontract(s).

27. Can we team with another company on this bid?

Yes. Potential Offerors are advised to read the final RFP in its entirety as the Proposal Preparation Instructions and Proposal Evaluation and Source Selection Criteria sections of the solicitation are expected to incorporate changes concerning the submission of team proposals/teaming arrangements.

28. Model Subcontract page 8: e(3): By law we can not ask ethnicity, gender or age of a proposed candidate.

Further clarification and information will be provided in the final RFP to address these concerns.

29. Model subcontract page 27, what about major medical coverage?

Thank you for pointing out this oversight. Major medical coverage is also one of the minimum insurance benefits that is required, and the final RFP will incorporate this requirement.

30. What happened to the Technical Specialist titles?

Thank you for pointing out this oversight. The Technical Specialist titles are included, and the final RFP will include them.

31. General Instructions, item #19 is missing.

This is a typographical error (when printing Part A as a single document rather than as part of the complete RFP document.) Part A consists of 19 numbered paragraphs only; therefore, the paragraph numbered 20 should be numbered 19.

32. What process will be used to evaluate the proposals submitted by small businesses? Will they be evaluated against other small businesses or together with the large businesses?

Reference our response to question 23 above.

33. Will LANL consider making the small business set-aside an 8(a) set-aside?

The set-aside of one subcontract for small business will provide opportunities for all small businesses (small, small disadvantaged, 8 (a), women-owned).

34. What size does LANL anticipate the small business award to be?

Each subcontract award, including that of the small business set-aside award, will be dependent upon the proposal submitted by the respective Offeror/Subcontractor. Subsequent ceiling increases will be dependent upon the Subcontractor's overall performance.

35. Part E, Appendix 1, Paragraph T states that all positions are subject to the Service Contract Act. Does LANL intend to make engineers and other professionals under this contract subject to the Service Contract Act?

Paragraph T states, "The Subcontractor agrees to compensate the Subcontractor's contract workers subject to the Service Contract Act of 1965, as amended..." Since the Service Contract Act specifically excludes persons employed in FLSA-exempted positions, they are not subject to this act. We will clarify this statement in the RFP. This reflects a change in our current practice of providing hourly pay for all workers under these subcontracts. If exempt status is questionable under the FLSA definitions, we anticipate the positions will be considered nonexempt.

36. Can an Offeror submit a proposal as the prime contractor and at the same time be submitted as a sub-contractor with another prime contractor for this RFP?

Procurement processes do not encourage nor discourage such proposal methods. It is up to potential Offerors to determine their proposal strategy including carefully researching the pro's and con's of a multiple proposal strategy.

37. Part E, section II.A – How does the University plan to manage and disburse the specified minimum 300 hours to each subcontractor over the five (5) year contract period?

Reference is made to Part A, Paragraph 3, entitled, "Subcontract Type," which states that "The University makes no commitments beyond the 300 hours set forth in each subcontract." This commitment will be made at the time of subcontract award and will be effective for the entire term.

38. Part E, section II.D.9 – Upon contract award, will contract worker files from previous subcontractors be provided to the new subcontractors?

No. Personnel files will not be provided. All appropriate/needed information for subcontractors to establish files with LANL-related documentation will be provided by the Laboratory's HR Division.

39. Part E, section II.I. 1, 2, 3 (Performance Metrics) – How does the University plan to determine subcontractor performance outlined in the Performance Metrics paragraph? A candidate may be qualified to perform the task but another candidate might be more qualified. Does this mean the candidate not selected is not qualified?

All job requisitions will specify required and desired Skills, Knowledge, and Abilities (SKAs). We would expect that qualified candidates would meet a minimum of approximately 80% of the SKA requirements. Non-selected candidates will not be considered nonqualified if they meet approximately 80% of the SKA requirements.

40. Part E, section VI – What is the subcontract ceiling amount?

The subcontract ceiling initially established for each subcontract awarded will be dependent upon the proposal submitted by the respective Offeror/Subcontractor. Subsequent ceiling increases will be dependent upon the Subcontractor's overall performance.

41. Part E, Appendix I.O – Is the subcontractor responsible for acquiring Q & L clearances for un-cleared contract workers and/or candidates?

LANL requests, obtains, and pays for Q and L clearances for contract workers with an approved need after they are on-board.

42. LANL currently has three incumbent subcontractors supporting your needs for Professional, Technical and General Support contract labor. Is it LANL's intention to again award three subcontracts or some maximum number of subcontracts?

The University anticipates making multiple awards with at least one (1) of the awards to a small business. At this time the number of awards has not been determined as proposals have not yet been requested, received, or evaluated. The number of awards will likely be determined by several factors including the number of proposals received, the quality of the proposals, and the administrative burden of administering several subcontracts. At this time, the Laboratory believes that a good estimate to use for proposal preparation is 3-5 awards. However, please keep in mind that this is simply an estimate.

43. The RFP in several instances makes reference to the transferring of current contract workers from unsuccessful incumbent firms to the successful subcontractor. Will the unsuccessful firms have any restrictions that would inhibit the transferring of their contract workers?

Not that we are currently aware of. Unsuccessful incumbent subcontractors will be asked to cooperate fully to assist in a smooth transition.

44. The Model Subcontract, Appendix I, Item AA addresses insurance requirements for the contract workers. While this section addresses Life, Dental, Vision and Short-Term Disability insurance, it does not address Medical insurance. Is this an oversight?

Thank you for pointing out this oversight. Major medical coverage is also one of the minimum insurance benefits that is required, and the final RFP will incorporate this requirement.

45. The Model subcontract, Appendix I, Item AA addresses insurance requirements for the contract workers. In addressing Insurance Benefit Cost Sharing, it states that in accordance with the most current Wage Determination, the Subcontractor must contribute toward the cost of the insurance. Does LANL have specific limits of coverage for these types of insurance and what level of contribution is to be made by the Subcontractor?

The applicable rate is currently \$1.92 per hour and is dictated by the Wage Determination paragraph entitled "Health and Welfare." The most current Wage Determination has been supplied with the Draft RFP but is subject to change at various times throughout the subcontract term as each Wage Determination is effective for only a certain period of time.

46. The Model Subcontract, Appendix I, Item W addresses vacation benefits for contract workers, including additional vacation benefits for working continuously for 10 and 15 years. Since any new successor Subcontractor would have to honor these additional vacation benefits based on length of service of individual contract workers, there could be a significant cost impact involved. Can LANL identify the number of current contract workers who would be eligible for the 10 and 15-year vacation benefits during the five years of the new subcontract?

To the best of our knowledge, there is 1 contract worker with greater than 15 years, and 13 contract workers with 10-14 years of service.

47. Proposed economic development initiatives in Northern New Mexico are one of the evaluation factors in the proposal. Is it possible for LANL to cite specific examples of such initiatives and/or provide guidelines as to LANL's expectations as to the types and scope of such initiatives?

The University does not intend to cite examples or guidelines. It is up to Offerors to make a proposal that they believe will be favorably received and evaluated.

All potential Offerors are cautioned and advised to read the final RFP in its entirety as the Proposal Evaluation and Source Selection Criteria section of the solicitation is expected to incorporate significant changes which may include some clarifications in this area.

48. In the Model Subcontract, Section II, Scope of Work, item D6, it indicates the University may designate a position as a "hot skill" area. How does the University determine a position is a "hot skill"? Is this determination reached prior to the time an order for that position is released to the subcontractor?

Hot skills are defined by the Laboratory depending on market data received from LANL's compensation group and input from requesting LANL groups that external market competition for certain SKAs is intense. Requisitions for hot skill candidates will be identified as such on the job requisition. This is a new practice that we will be implementing as the new contracts are established.

49. Would LANL consider an alternate proposal such as a sole-source or Managed Program?

No. The Laboratory is not interested in receiving alternate proposals.

50. What specifically are the employee and dependent medical, dental, and vision employer paid coverages that will be required under contract?

There are no specific requirements in these areas because of the dynamics in the market place and because we want to encourage the subcontractors to be creative and flexible in what they offer employees. Current University of California benefits coverage in these areas is available to you to use for comparison purposes at <http://www.hr.lanl.gov/Benefits/BenPlans/>

51. Will the contract allow for reimbursement to the Subcontractor for travel expenses incurred by its employees while using a company credit card?

No. Referencing Part E, Paragraph XIII., entitled "Travel," contract workers will be able to obtain a personal Diners Club credit card with which they will pay for Laboratory-related travel expenses. Reimbursement for such expenses will be made directly to the respective contract worker.

52. Who are the incumbent subcontractors for the scope of work?

At this time there are three (3) incumbent subcontractors:

**Butler Services Group, Inc.
Comforce Technical Services, Inc.
Weirich & Associates, Inc.**

53. Referenced Part A, 3 – Subcontract Type. It is understood that combined expenditures for the three existing subcontracts have been approximately \$60 million per year. Further, it is understood that past expenditures are not necessarily indicative of future expenditures. In order to provide the most cost efficient proposal to LANL, please provide approximate number of contract workers by major job category currently assigned to the three subcontracts.

The total number of workers as of September 30, 2000, was 1010. Out of these,

- 196 are Technical Staff Members (TSM)**
- 364 are Technicians (TEC)**
- 232 are Administrative Staff Members (ASM)**
- 218 are Technical Administrative Specialists (TAS)**

54. Reference Part E, Page 9 of 31, Part V ? Options. The University reserves the right to employ a contract worker after working at the Laboratory for 90 calendar days. How much notice will the University provide to the subcontractor prior to employing the contract worker as a University employee?

Contract workers accepting positions with the Laboratory will provide notice consistent the standard business practices of the subcontractor with whom they are employed.

55. Will the University compensate the subcontractor if the University hires a subcontractor employee?

No.

56. Reference Part E, Page 26 of 31, Paragraph AA. The subject paragraph provides the minimum insurance benefits to be provided by the subcontractor to all assigned contract workers. However, there is no

reference of general medical/health insurance. Please provide any minimum requirements for general medical/health insurance.

Major medical health insurance will be a requirement, although it was accidentally excluded in Paragraph AA of the draft RFP. It will be incorporated into the final RFP, although the specific minimum requirements will not be stated because of the dynamics in the market place in this area and because we want to encourage the subcontractors to be creative and flexible in what they offer employees. Current University of California benefits coverage in these areas is available to you to use for comparison purposes at <http://www.hr.lanl.gov/Benefits/BenPlans/>

57. What, if any, will the process be to place existing employees who may be displaced by the new awards with the new contractors?

Displaced workers will be notified of the new subcontractors and will have the opportunity to meet with each of them prior to deciding on a new employer. We will ask the new vendors to provide presentations on their companies so that displaced workers may get the information they need to make decisions regarding the best alternative for them as an individual.

58. To level the playing field there is no LANL provided straight time compensation per hour on which indirect rates and fee can be evaluated. Last time LANL provided a \$20.00 compensation figure. Recommend that LANL provide some number that all Offerors would use to prepare their rates.

Potential Offerors are advised to read the final RFP in its entirety as the Proposal Evaluation and Source Selection Criteria section of the solicitation will incorporate a dollar figure which can be used as a basis when determining their proposed rates.

59. What is the definition (or SIC code) for the small business for the set-aside?

The SIC code originally used (8889) will be changed to the new NAICS Code for temporary help which is 56132 in accordance with Federal Guidelines. As such, the dollar threshold will be \$10M. This has been confirmed with the Small Business Administration and will remain firm for the final RFP.

60. What does “working while on call”, page 11 mean? Is this the same as not working while on call?

No. A contract worker could be “on call” and not be required to actually work during that time. On Call time is time during which an employee is not required to be at the work location or at the employee’s residence but is required to restrict activities so as to be readily contacted and be available to return to work if called. “Working while on call” refers to those cases where someone on call is actually required to perform work either on-site or off-site.

61. Is NM Gross receipts tax applicable?

Yes. The current Los Alamos county tax rate is 6.0625%.

62. Page 28, “Immediate Participation.” Does this mean immediate entrance to the plan, or immediate vesting (how much vesting), or immediate 100% vesting?

“Immediate Participation” refers to Immediate 100% vesting.

63. What do the current (3) contractors provide as “other benefits?” Can we get a listing of their benefits?

This is proprietary information, which we are not at liberty to provide.

64. Since HR will be the vendor’s single point of contact, what will procurement’s role be (if any) after contract award?

The Contract Administrator will be the Subcontractor's primary point of contact for contractual issues and will negotiate contract modifications, resolve contractual disputes, and participate with HR in the quarterly review meetings. HR will be responsible for the daily activities of hiring, etc. and will be the primary point of contact for issues as they relate to the actual employment of the contract workers.

65. Please identify what LANL considers to be "Hot Field" skill sets.

As discussed in Question 48, "hot skills" or "hot technologies" is a phrase used to describe skills that are in high demand and short supply. Incumbents with these skills are in extremely high demand, and organizations find themselves in bidding wars to hire them. This situation can be and usually is temporary until the supply is adequate to fill the demand. Therefore, it is difficult to identify "hot skills" in general. Currently, the only skill set that LANL formally recognizes as a "hot skill" is the computer science skill set. Computer scientists (technical staff members) in a few designated Laboratory organizations have been identified as individuals possessing "hot skills." There are other skill sets that could *potentially* be formally recognized as "hot skills." Some examples include, but are not limited to: system administration, relational database management, data warehousing, applications programming, operating systems programming, Web Infrastructure, etc.

66. Does LANL expect exempt contract workers to receive higher salary than non-exempt?

Salary potential for an exempt contract worker is generally higher than that of a non-exempt worker because the salary range minima and maxima are greater for exempt classifications.

67. How does LANL expect to manage a candidate being submitted by more than one sub-contractor?

The Subcontractor who is first to submit a resume into our resume database is the one who is credited. If another Subcontractor submits the same resume later, the system will indicate that it is a multiple vendor and the second submittal is then rejected.

68. Does the Laboratory decide whether a contract worker is exempt or non-exempt?

Yes. It is anticipated that this will be done at the time the request is received and the position is leveled by HR.

69. Will exempt workers be paid straight time for overtime?

Exempt workers will be paid for meeting the responsibilities assigned to their position, rather than working a specified number of hours. Work beyond 40 hours in a workweek is not subject to additional compensation unless an extended work schedule has been approved in advance. See question #74 for additional information.

70. The Laboratory has stated that a Northern New Mexico office be established. This appears to be a new requirement. Is this correct and if so, does it preclude having a primary facility in Albuquerque?

For this subcontract, a Northern New Mexico office is required, but does not preclude having a primary facility in Albuquerque also.

71. If a Northern New Mexico office is required, must it be in place by the RFP date or award date?

The NNM office must be in place by the subcontract award date.

72. How can the subcontractor(s) be protected from the Laboratory hiring the "contract workers" it (they) provide the Laboratory?

The Subcontractors are protected in accordance with the 90-day clause in Section V, Paragraph A.

73. Is the Laboratory going to guarantee a minimum number of “contract workers” provided by the subcontractor(s) each year during the subcontract’s period of performance?

No.

74. Exempt status – Pay question – Does this mean 40 hours will always be paid? If contractor works 30 hours we will pay 40 hours or contractor works 50 hours we pay 40 hours.

Exempt workers will be paid for meeting the responsibilities assigned to their position, rather than working a specified number of hours. Work beyond 40 hours in a workweek is not subject to additional compensation unless an extended work schedule has been approved in advance. If exempt employees work less than a full-time schedule, their pay is to be calculated based on the percent of time they work. For example, if they are scheduled on a 50% part-time schedule, they will receive 50% of their weekly salary.

Extended work schedules can be approved if the organization expects the employee to have to work considerably more than 40 hours each week for a period that is anticipated to extend beyond 90 consecutive workdays. Because exempt employees are expected to devote the required effort to complete their assigned duties, requests for extended work schedule are granted only for exceptional cases that require efforts far beyond those usually expected of exempt employees.

An exempt employee assigned to an extended work schedule will receive a flat-fee pay supplement calculated at a prorated percentage of the monthly base rate. The percentage is determined by the ratio of hours approved in the extended work schedule request to the regular full-time work week of 40 hours. For example, if an exempt employee has been approved to work 50-hour weeks, he or she will be paid a supplement of 25% of the weekly base rate in addition to the normal salary for every week he or she remains on an approved extended work week. The person must work the additional hours agreed upon, or they do not get the additional pay for that week.

Please note that this is a change from language in the draft RFP, Part E, Paragraph XIII.A.6.

75. Are contract workers paid for days Lab may be closed due to weather/time/emergencies?

Please refer to Section VIII, Paragraph A and Appendix I, Paragraph U.2. There will be further clarification on the final RFP.

76. How should interview & relocation costs be addressed in the cost proposal?

The Offeror’s proposed indirect rates should account for the costs associated with processing travel claims, submitting the invoice to LANL, and covering cash flow until reimbursement from LANL is received.

77. Will the resulting contracts have a provision providing the Lab retain a % of the invoiced \$?

Yes a withholding provision (most likely based on dollars rather than a percentage) will be included in the Final RFP and any resulting subcontract(s).

78. If yes; will expenses incurred for the interview process be subject to the retainage?

Not applicable.

79. Relative to the profile of the current labor services, contract employee work force [Part E: II.D.):

A. How many incumbent employees are there by job category/classification?

Please refer to Question No. 3.

B. What are the current wage rates by job category/classification?

FY 00 Rate Structure for Technical/Professional Contracts

Job Titles	Minimum Hourly Rate	Maximum Hourly Rate
Technician I	\$10.50	\$17.75
Technician II	\$12.50	\$24.00
Technician III	\$16.00	\$30.50
Technician IV	\$22.50	\$38.00
Technical Specialist I	\$11.50	\$19.00
Technical Specialist II	\$13.00	\$22.20
Administrative Staff I	\$17.00	\$28.75
Administrative Staff II	\$21.00	\$35.25
Administrative Staff III	\$23.75	\$40.35
Technical Staff Members	Salary is based on degree level and years of experience	

- C. How many full time and part time incumbent employees are there?

Work Schedule	Number of Employees
20%	1
25%	80
30%	1
40%	1
50%	120
60%	1
80%	2
100%	851

- D. How many contract employees do the incumbent subcontractors employ?

Butler – 300 employees
Comforce – 436 employees
Weirich – 321 employees

- E. What is the average term of employment for the incumbent employees, by group?

Job Title	Average Years of Employment
Tech I	2.67
Tech II	2.61
Tech III	3.0
Tech IV	4.77
Tech Spec I	3.44
Tech Spec II	3.74
ASM I	3.43
ASM II	2.89
ASM III	2.64
TSM	2.93

80. Relative to the workloads [Part E: II.D.):

- A. What are the contract employee turnover rates for the last year or two?

Year	Attrition Rate
FY 00	17%
FY99	29%

- B. How many new hires and terminations have been processed, by month, for the last year or two?

FY 00	Number
New Hires	295*
Terminations	183

***Some new hires may actually be rehires.**

- C. How many requisitions have been submitted by month, by organization, for the last year or two?

Year	Number of requisitions submitted*
FY00	280

***Some requisitions may have had multiple openings.**

81. Relative to report processing [Part E: II.D.10]:

- A. On what day and time are the attendance reports transmitted to the subcontractor?

Reports are submitted every Monday 9:00 am and 2:00 pm. If Monday is a holiday, payroll is sent on the previous Friday 9:00 am and 2:00 pm. There may be special deadlines due to end of year or holiday closures.

- B. Are the attendance reports collected and aggregated by the University for transmittal to the subcontractor?

Attendance is submitted electronically. An attendance report is provided to each Sub-contractor with a listing of all their employees' approved time.

- C. How many University requestors approve attendance reports?

Each contract worker's attendance is approved electronically by the designated approver.

- D. What is the frequency of pay to contract employees; e.g., Bi-weekly or other?

Contract workers are paid on a bi-weekly because the 9-80 and 5-40 schedules. The 9-80 schedule breaks the work week at noon on Fridays, but this is invisible to the workers. The 5-40 schedule is a normal 40-hour work week schedule. Because both the 9-80 and 5-40 work schedules are used, the bi-weekly pay period is needed.

- E. What percent of attendance reports are in the categories of regular, amended, and late, by month for the last year or two?

On an average: 85% regular, 10% late, and 5% amended.

- F. Can we have a description of the University's SE system and process for transmitting attendance data?

The University's SE system is an institutional system on an IBM mainframe. Each contractor is entered into the system; requests with authorized requestor, attendance approver, and charge codes are entered into the system; attendance processing screens allow the employee to enter attendance and submit it for approval; attendance reports are produced on a weekly schedule

for each subcontract company. These attendance reports then drive the production of a LANL self-invoice, which is provided to the subcontractors, and payment is generated according to the subcontractor's payment terms. Internally, the SE system allows HR to recharge efforts to each charge code on which approved attendance is received. The steps in the process are as follows:

- HR sets new contract worker up in the Supplemental Effort (SE) system, with a LANL-authorized time approver.
- Contract worker or group office administrator enters contract workers' time into SE system
- Authorized approver approved attendance on-line
- HR provides subcontractors with authorized weekly attendance reports.
- Subcontractors provide payroll checks to employees
- HR provides subcontractors with LANL self-invoices.
- Subcontractors verify self-invoices and notify BUS if any discrepancies exist
- LANL provides subcontractors with payment on self-invoices.
- Invoice discrepancies are worked out between LANL and the subcontractors

82. Relative to the processing of requisitions and resumes [Part W: II.D]:

A. Will the subcontractor have access to the LANL LAN?

There are different levels of access to the LANL web site and computing systems. Subcontractors will have limited access only to the web site locations that can be seen from outside the Laboratory. Contract workers who have received background checks and completed required training may have access to the sensitive areas of the web for internal work processing. This is where the Supplemental Effort (SE) system resides for contract worker attendance reporting. The applicant tracking system (currently Res-Search) is not accessible from off-site.

B. What is the average turn-around time, by job category/classification from the receipt of resumes to acceptance/rejection of the resumes?

The average turn around time for HR is 7-10 days from the time a resume appears in the system, it is reviewed for qualifications, and sent to the hiring official (provided it meets a minimum of 80% of the requirements.)

83. Relative to contract transition [Part E: II.D.1]:

A. How will the determination be made of which incumbent contract employees go to which successor contractor?

Please refer to Question #57.

B. Will successor contractors compete for the incumbent contract employees?

Yes. Please refer to Question #57.

84. Relative to sample contract [Part E: VIII.A.5]:

A. Please clarify the meaning of "working while on call" and "not working while on call."

Please refer to Question #60.

B. Does "working while on call" mean working at the Laboratory?

Please refer to Question #60.

85. Relative to sample contract [Part E: VIII.A.6]:

- A. How does the University avoid the risk of violating the FLSA when compensating exempt employees, on an extended work week at one and one-half times the straight time hourly rate? The risk being is that the Department of Labor's penalty for all exempt employees working over the basic 40 hour work week are treated as non-exempt employees and paid for overtime.

Please refer to Question #74.

86. Relative to sample contract [Part E: IX.B]:

- A. What is the current payment frequency?

Net 30 days or Net 15 days. Currently it is 30 days from week ending date or 15 days from week ending date with discount.

- B. What payment frequency is anticipated for the new subcontracts?

Payment terms are proposed by the Offeror. The proposed terms are subject to negotiations and will become part of the final Subcontract(s).

- C. What has been the error rate for invoices, by month, for the last year or two?

The average error rate has been approximately one (1) adjustment per month.

87. Relative to Appendix I, item AA:

- A. Health insurance is missing from the list of benefits. Is this a fact or an omission from the list?

Please refer to Question # 29.

- B. What is the average value of the current Health and Welfare benefits paid to non-exempt employees covered by the wage determination?

Please refer to Question #45.

88. Reference Model contract, Section II – Scope of Work, Page 4 – Paragraph D:

The scope of work indicates as specific needs arise, University requirements for specific qualifications desired (requisitions) will be communicated to the Subcontractors. Please identify the number of work requisitions presented to the incumbent subcontractors during the last year, two years, three years.

Please refer to Question #80C.

89. Reference Model Contract, Section V – Options, Page 9 – paragraph A:

The University reserves the right to hire a contract worker after 90 days of employment with the Subcontractor at LANL. During the current period of performance for the incumbent Subcontractors, what percentage of contract workers have been hired by the University? Will the University consider a longer period of 120 days of employment prior to hiring the contract workers?

This information is not currently tracked. At this time, the University does not intend to change the 90-day timeframe.

90. Reference Model Contract, Appendix I – Personnel/Contract Workers, Paragraphs W and X.

The Subcontractor shall provide paid vacation based on years of service and paid sick leave of 48 hours per year. Does the Subcontractor receiving an award under this solicitation have liability for any unused accrued vacation and sick leave for a transitioned contract worker, assuming this leave was accumulated during his/her employment with a current incumbent Subcontractor?

No. Unused vacation and sick leave will be paid out to the employee at the time the respective subcontract(s) expire (if applicable.)

91. In the event of a requisition posted by the University requiring a contract worker for a short-term assignment, will the University allow direct reimbursement of all travel and per diem costs?

Each situation is handled individually, depending on the organization's need, budget, and the length of assignment. A contract job must be for a minimum of 4 months in order for the selected applicant to qualify for reimbursement.

92. Reference Model Contract, Section II – Scope of Work, Paragraph H.

Will the University consider allowing direct charge and reimbursement for the preparation of all reports required in Paragraph H including the ad hoc reports that may be requested from time to time. If not, how can the respondents to the solicitation anticipate the extent and frequency of the ad hoc reports and factor this into their pricing.

The average number of ad hoc reports required is approximately one per month (or 12 per year.) All anticipated costs should be considered and incorporated into the overall indirect rates proposed by the Offeror.

93. With respect to the questions and answers sheet provided at the “Pre-Solicitation Conference” the response to question number 6 states refers to section in the draft RFP and states that each large business will be required to submit a ‘Small Business Plan.’ Can you provide specific parameters on what you consider a “Small Business Plan?” In essence, what are you looking for and does this count towards the page limitation set out in the proposal instructions?

Please refer to Forms 826 and 993 which provide details regarding what is required. In addition you may refer to General Provision B54.

94. Reference question and answer #58. Since you have an accounting of the contract workers by class, ref. Question #3, there should be an average hourly rate for each of the four classes. The “wrap rate” will be different for each class because, regardless of one’s salary, some fringe costs don’t change such as health care costs. Recommend that you provide four base costs from which to propose overhead/fringe/G&A/fee percentages.

The average rates for each type of contract worker are as follows:

Tec/Gen	\$21.05
TSM	\$38.10
SSM	\$25.80
Admin	\$14.08

95. Will there be provisions included in the contract that will allow award of staffing requests to one of the contract awardees without competition?

No.

96. How will current employees be distributed between contract awardees?

Please refer to Question #57.

A. In the event that one of the awardees is an incumbent.

Please refer to Question #57.

97. Historically, what is the distribution between named candidates and requests that are filled through recruiting?

This information is not currently tracked, therefore we are unable to provide it.

98. Will the determination of exempt vs. non-exempt employees follow the Department of Labor classification?

Classification of exempt and non-exempt will follow Fair Labor Standards Act guidelines (enforced by Wage and Hour Division of the Department of Labor) as they apply to the minimum wage and overtime exemption. The four exemption tests (Executive, Administrative, Professional, Outside Sales) will be used to determine exempt and non-exempt classifications.

99. Could you please make the HR funding, staffing, and trending slides available on your website.

The viewgraphs are available as requested.

100. When Carol Trask was discussing (at the presolicitation conference) the self-invoicing process, she indicated the invoices were averaging \$1.5 Million on a bi-weekly basis. That amount would equate to \$39 Million on a yearly basis. Since the Draft RFP indicated the combined expenditures for the three subcontracts were approximately \$60 Million per year, could you explain what constitutes the difference between these two amounts?

The average weekly invoice total for the three companies in FY 00 was \$1.269M. The invoice grand totals for FY 00 were \$67M. The average weekly invoice total for the three companies through 11/5/00 in FY 01 is \$1.283M. The weekly average does not include special correction invoices that are processed occasionally.

101. **Issue:** As the RFP is currently written, the playing field is not level for small businesses when competing with the incumbent large businesses. The large businesses already have solid baselines from which to negotiate benefits. Additionally, incumbent large businesses are already postured to accept smaller profit margins because they have 300-350 LANL incumbents and, therefore, can immediately offer better benefit packages. The result will be that the small business winner will have an extremely difficult time recruiting these incumbents into their company.

This was the case when Sandia National Laboratories (SNL) awarded their staff augmentation contracts. Specifically, the large businesses had many of the incumbents on their payrolls under other contracts. Consequently, they were successful in capturing the majority of the incumbents by offering more in benefits than they originally bid. For example, they offered extra weeks of vacation, and sign up bonuses of \$2000-\$4000. Because the margins on staff augmentation contracts are historically low, a business must have a certain amount of staff augmentees to break even and to be able to continue to compete for new employees.

After the SNL contract awards, the competition for the incumbents by every new staff augmentation contractor turned into a bidding war between vendors on who could offer the most benefits or additional perks to the incumbents beyond the initial benefit packages that were bid. The large businesses were able to out bid the small businesses, especially for the professional (degreed) incumbents, whose wages were higher and produced higher revenue. The big businesses could afford to cut their margins even more to get them on board. (The lower paid incumbents were often ignored and not recruited by some larger companies since the benefit package would produce a loss for that salary category.) This unrestricted competition also allowed the incumbents to pit each of the contractors against each other. The result was the small businesses were not able to get a "critical mass" in order to survive in the competition. In fact, many ended up losing money on the contracts until the SNL Task Force recommended renegotiating the rates for the staff augmentation contractors.

It is conceivable that at least one of the current incumbents will win the re-bid on the contracts. This means the large business will have approximately 300-350 staff augmentees on the payroll on the day the contract is awarded. They will be competing with the other two winners, one of which will be a small business, for the other 600-650 incumbents. A small business with no employees (incumbents) on the payroll on contract award day, must offer the incumbents a better package than the large business with 300-350 employees generating revenue on day one. Again, the large business will be at an advantage because of its access to more resources from corporate. This adverse situation will be compounded even more if two of the current three incumbents win the large business contracts.

Recommendation: Strongly recommend that vendors selected as providers be restricted from varying their benefit programs, for a minimum period of 12 months, from the benefits submitted in their proposal. This time period could be shortened as soon as all the incumbents are placed in the three companies. However, there must be a safeguard. Namely, the companies could not promise to significantly increase the benefits for the incumbents, once the moratorium ended, as a future payback for joining the company. This moratorium on increasing benefits would not exclude raising the proposed benefits to match the existing benefits. In essence, “grandfathering” could be allowed. Additionally, the moratorium would not apply to “new” contract employees to LANL in the “hot skills” areas, since they are not great in numbers during the initial start up of the contract.

Another option would be to guarantee a minimum of 150 or so employees to the non-incumbent companies. This could be accomplished via a lottery where the employees chosen would be guaranteed comparable benefits regardless of the company association.

Rational: Experience indicates that incumbents understandably tend to compete vendor against vendor, which creates an unhealthy competition for companies who were not previously incumbents. In this competition for incumbents, small and/or disadvantaged businesses would not be able to compete. They would be at a significant disadvantage vis-à-vis larger businesses. Since the current intent by LANL is to not designate a certain number of employees to the small business winner, the consequence of not having a moratorium or assignment of a minimum number of incumbents will be fatal to the small business.

Question: Would LANL consider taking action to minimize the potential for “bidding wars” between the winning vendors as recommended above?

The Laboratory does not intend on establishing moratoriums nor does the Laboratory wish to engage in establishing controls that would be difficult to administer. Rather, the Laboratory seeks to subcontract with firms (both large and small) who have refined, operational and mature infrastructures and business systems that will operate successfully in the type of environment that you describe. We are confident that there are small business firms who have these qualities and will be competitive.

102. **Issue:** The RFP states that this procurement is a small business set-aside for those companies that meet SIC Code 8999, Miscellaneous Services, with revenues under \$5M. In accordance with FAR Code 99.102, we submit that the principal nature of the service being acquired under this solicitation best fits under SIC 8711, Engineering Services.

Note: Effective October 1, 2000, Small Business Size Standards established for the Standard Industrial Classification (SIC) Codes no longer apply. The table of size standards, based on the NAICS codes, replaces the table of standards based on SIC. Therefore, SIC code 8711 translates into NAICS 54133 (Engineering Services). SIC Code 8999 translates to 541990 (All Other Professional, Scientific, and Technical Services).

In addition, a small business with less than \$5M in annual revenues could be perceived as high risk of not being able to meet payroll for 350+ people and may not be able to provide the majority of the work required for this procurement, requiring a teaming arrangement with a large, possibly out-of-state company, in order to meet the requirements of the RFP. Such teaming arrangements may have an unintentional consequence of negatively impacting the Northern New Mexico Economic Development initiatives goals and objectives through recruiting for personnel outside of New Mexico.

There are several, very qualified, small businesses in New Mexico including 8a and women-owned businesses that exceed the \$5M revenue limitation, but would qualify if the small business standard was raised to \$20M. This increase would provide additional opportunities for other small businesses in New Mexico, thus providing additional competition from which to select a highly qualified, New Mexico, small business.

Question: Would LANL consider revising Paragraph 14 to reflect the NAICS code 54133, Engineering Services, size standard \$20M, to allow more New Mexico small business to compete for this very important procurement in our state? If not, a compromise of at least \$10M average annual revenues would be acceptable.

Please refer to Question #59.

103. Our standard policy is to pay our contract employees every week. Will we be required to change that to every two weeks as mentioned in the LANL RFP or will we be able to pay weekly?

Bi-weekly payroll is required because of the requirement in Appendix I, Paragraph U.1. for making a 9-80 scheduling option available to contract workers. This ensures that we meet FLSA regulations for the extra 4 hours worked in the longer workweek. Therefore, successful Subcontractors will be required to pay the contract workers every two weeks.

104. Will there be a maximum amount of PTO/sick leave a subcontractor will be allowed to offer contract workers in their benefit packages?

No.

105. Proposal Development Questions:

For each of the following questions, please refer to the final RFP for further clarification.

- A. Printing: Single-sided or double-sided? RFP doesn't specify.

Either single-or double sided printing is acceptable.

- B. Heads: No mention of style (font type, font size)

1. What is style for Levels: Heading 1, Heading 2, Heading 3, etc.?

Please refer to the final RFP for further clarification.

2. Must it be as illustrated in the Draft RFP, or is there latitude for some creativity?

Please refer to the final RFP for further clarification.

3. i.e., Arial, bold, 13 or 14/pt?

Please refer to the final RFP for further clarification.

- C. General Layout: RFP says the proposal must follow the style in the RFP. The RFP layout style follows a modified outline style, which uses space because of graduated indentations. Since the proposal is page limited, this style can use much-needed space for text and responding in full to the RFP.

Please refer to the final RFP for further clarification.

- D. Page limits: Please clarify page limits.

Please refer to the final RFP for further clarification.

106. In order to clarify the Hot skills category, does LANL agree that the following skills are Hot Skills: Web-Developers, Web-Designers, DB2 Programmers, ORACLE Forms experts, UNIX Administrators, NT Administrators, Powerbuilder, Cisco Certified Technical Experts?

The only “hot skill” that LANL formally recognizes at the time of this writing is the computer science skill set (computer scientist – technical staff member). Refer to Question #65 for more details.

107. What is LANL’s policy/procedure regarding the employment, by LANL, of contractor’s employees?

Reference Section V, Paragraph A.

108. How many contract employees were hired by LANL during the previous 12 month period?

Please refer to Question #80.

109. Indemnification: What role will LANL play in reference to liability to indemnification; i.e., if an unhappy employee (a Subcontractor employee) or a direct managerial supervisor impact triggers a law suit, what is LANL liability?

Please refer to General Provisions, Clause #B43. Further clarification will be provided either in the final RFP or in a future response.

110. If a contract employee wishes to go from one contractor to another contractor, is there a waiting period so that employees can be discouraged from continuously jumping from contractor to contractor because of either change of benefits or conflicts?

No. This is an issue between the Subcontractor and their employee.

111. Will there be a fair allotment of time for new contractors to bring number of employees up so that incumbent competitors do not offer large amount of incentive bonuses to sign on with them?

Please refer to the response to Question No. 101.

112. If LANL Managers recognize FTE outstanding performance with large amounts of bonus monies, will there be additional monies available for contractors to offer their own employees that might be part of that “outstanding performance” team?

Yes, there is a Los Alamos Contractor Award Program in place—see Section 8.14.

113. If insurance costs accelerate excessively will LANL consider adjusting the multiplier?

Costs and potential increases should be considered in determining the proposed indirect rates. Should rates increase significantly in the future, rate changes may be proposed and negotiated if necessary. However, there is not guarantee that the proposed rate increases will be accepted.

114. Could the SIC code be changed to 361 (NAICS-541612) – Personnel Supply Services or 7363 (NAICS-Help Supply Services), which I believe more accurately reflect Staff Augmentation Services?

Please refer to Questions #59.